

# Report on Customer Service 2002

## Texas Alcoholic Beverage Commission



***Dedicated professionals serving citizens in an honest, efficient and friendly way.*** If I had to describe the driving philosophy behind our customer service, it would be in this manner. Commitment. Quality. Honesty. Efficiency. Friendliness. When it comes down to it, these are pretty much universal guiding principles that we all have come to expect of any service provider. We believe you deserve no less from us.

At the Texas Alcoholic Beverage Commission, we realize the awesome responsibility that the State of Texas has placed upon our agency and we view our *Compact with Texans* as a binding agreement between you, our customer, and every member of our agency.

So, whether your contact with us is in person, via regular mail, over the telephone, at our web site or through whatever other medium available, we want you to know that our work ethic will be marked with a spirit and zeal to help you out in whatever way possible.

Thank you for the opportunity to serve you.

Sincerely,

A handwritten signature in black ink that reads 'Rolando Garza'.

Rolando Garza  
Administrator

# **I ntroduction**

The Texas Alcoholic Beverage Commission was established in 1935 as the state regulatory agency covering all phases of the alcoholic beverage industry in the State of Texas. The duties of the Commission include regulating sales, taxation, importation, manufacturing, transporting, and advertising of alcoholic beverages.

The TABC collects in excess of \$180 million annually in taxes and fees, which aid in the financing of the state's public schools, state and local governments, research, human services and other areas in which state government provides services to all Texans.

The commission is proud of it's employees and their adherence to their responsibilities in the auditing and collecting of taxes, the enforcement of the alcoholic beverage laws, the issuance of licenses and permits, and most of all, serving the people of Texas.

## **TABC Mission**

The mission of the TABC is to supervise and regulate all phases of the alcoholic beverage industry to ensure the protection of the welfare, health, peace, temperance and safety of the people of Texas, while facilitating fairness, balanced competition and responsible behavior through voluntary compliance.

## **TABC Vision**

*A safe and sober Texas served by the Texas Alcoholic Beverage Commission known for its innovation, efficiency, work ethic and fiscal responsibility.*

The agency continuously pursues its vision of a safe and sober Texas not only through normal enforcement activities, but also through licensing and regulation of commercial activity within the alcoholic beverage industry.

## **TABC Guiding Philosophy**

The Texas Alcoholic Beverage Commission will exemplify friendly, courteous, ethical and professional behavior in all areas of performance. We will provide the best possible services at the lowest possible cost to the people of Texas. We will apply the law and agency policy fairly and consistently throughout the state. We will communicate openly and provide timely, accurate information to the public we serve and to all our fellow employees.

## **TABC Services**

- <sup>a</sup> We conduct investigations for minors in possession, public intoxication, bootlegging, prostitution, gambling, narcotics, weapons, and organized criminal activities.

- a We provide regular instruction to school children, licensees and permittees (and their employees), and to members of civic groups to promote a better understanding of the law and voluntary compliance.
- a We oversee the labeling, bottling, and promotion of alcoholic beverage products.
- a We issue more than 60 different types of alcoholic beverage licenses and permits throughout the state and the world to establish regulatory control.
- a We conduct regulatory and tax compliance audits to ensure adherence with the Alcoholic Beverage Code and ensure the proper amount of tax/fee is reported and paid.
- a We assure compliance with personal importation laws and collect taxes and administrative fees on alcoholic beverages and cigarettes imported into Texas from Mexico.
- a We review and prosecute administrative violations of the Texas Alcoholic Beverage Code by licensees and permittees.

### **TABC *Compact with Texans***

The commission's leadership and personnel are dedicated to the principles of exemplary customer service, believing that the citizens of this state, as well as those who may conduct business in Texas, deserve the highest degree in service standards. The commission expects these characteristics to be obvious to citizens in their interaction with the commission's employees:

- a **Commitment**
- a **Quality**
- a **Honesty**
- a **Efficiency**
- a **Friendliness**
- a **Professionalism**

As part of the agency's original customer service initiatives, the *Compact with Texans* was created and submitted to the Legislative Budget Board and the Governor's Office of Budget and Planning for approval in March 2000. The compact was approved and, since then, has been added to the agency's web site. The *Compact with Texans* goes even

further to delineate not only the universal guiding principles of how the service should be delivered but when to expect it:

- a Provide accurate and timely information.
- a Respond to inquiries within three working days.
- a Acknowledge receipt of complaints within three working days.
- a Resolve complaints within 60 working days.
- a Provide helpful and up-to-date information on the agency's web site.
- a Ensure our facilities are easily accessible and clean.

## TABC Customer Service

Customer focus, continuous improvement, idea generation, communication, recognition and reward. These are the key elements of a successful agency. However, improving the quality of customer service is a critical issue facing all state agencies. To improve the service provided, the Texas Alcoholic Beverage Commission is committed to identifying agency's customers; setting achievable service standards based on customer expectations; realigning policies and management systems to meet customer needs and redesigning service processes.

### Inventory of External Customers

The identification of external customers is a prerequisite to understanding customer requirements and satisfaction levels. The agency has compiled a list of external customers by budget strategy and identified three distinct groups as its primary customers - the general public, the alcoholic beverage industry and local agencies and officials. The services the agency provides to its customers include: conducting investigations; providing regular instruction on the law and compliance to school children, licensees and permittees (and their employees), and to members of civic groups; overseeing the labeling, bottling and promotion of alcoholic beverage products; issuing different types of alcoholic beverage licenses and permits throughout the state and the world; conducting compliance audits and regulatory reviews; assuring compliance with personal importation laws and collecting taxes and administrative fees on alcoholic beverages and cigarettes imported into Texas from Mexico and reviewing and prosecuting administrative violations of the Texas Alcoholic Beverage Code by licensees and permittees.

## Inventory of External Customers by Strategy

### STRATEGY: Deter and Detect Violations of the Alcoholic Beverage Code

DEPARTMENT RESPONSIBLE	EXTERNAL CUSTOMER GROUPS	CUSTOMER SERVICE
Enforcement Department	Licensees/Permittees and their Employees	Inspect licensed establishments and investigate complaints.
	School Districts - Children General Public	Provide or sponsor educational programs that promote voluntary compliance and increase the public's awareness of the state's alcoholic beverage laws.

### STRATEGY: Issue Licenses and Permits while Ensuring Law Compliance

DEPARTMENT RESPONSIBLE	EXTERNAL CUSTOMER GROUPS	CUSTOMER SERVICE
Licensing Department	Applicants of alcoholic beverage licenses/permits Licensees/Permittees City and County Agencies Licensing Services	Process alcoholic beverage license/permit applications, issue and renew licenses/permits in compliance with the Alcoholic Beverage Code.

### STRATEGY: Compliance Monitoring

DEPARTMENT RESPONSIBLE	EXTERNAL CUSTOMER GROUPS	CUSTOMER SERVICE
Compliance Department	Licensees/Permittees and their employees	Inspect, investigate and analyze all segments of the alcoholic beverage industry and initiate any necessary compliance and/or administrative actions for failure to comply, while providing instruction to promote voluntary compliance.

### STRATEGY: Ports of Entry

DEPARTMENT RESPONSIBLE	EXTERNAL CUSTOMER GROUPS	CUSTOMER SERVICE
Compliance Department	General Public Federal Agencies	Identify high traffic loads and strategically place personnel or equipment at ports of entry to more effectively regulate the personal importation of alcoholic beverages and cigarettes.

### STRATEGY: Increase use of HUBs


DEPARTMENT RESPONSIBLE	EXTERNAL CUSTOMER GROUPS	CUSTOMER SERVICE
Resource Management Department	General Public	To increase the use of HUBs through purchasing and public work contracts and subcontracts.

# TABC Customer Satisfaction Survey

For many years now, the agency has used surveys to assess the level of customer satisfaction with agency services. Although these surveys are quite useful in measuring satisfaction with specific agency programs (i.e., licensing, compliance and enforcement), the agency developed an additional survey instrument in 2000, which consequently fulfilled the requirements of Senate Bill 1563. The *TABC Customer Satisfaction Survey* was designed to gauge customer satisfaction with respect to the following quality dimensions: to service timeliness, staff, facilities, printed materials, communication, complaint handling processes, the Internet and overall satisfaction.

## Methodology

In 2000, the agency conducted a careful planning process before implementing the survey instrument to avoid potential pitfalls and delays. During this time, the agency identified the purpose of the survey; the information needed; how the customer lists would be created; the method of collecting the data; how the data would be analyzed; the software required for analysis and how the survey results would be reported. The agency was interested in the amount of time it would take to complete the survey, the format and attractiveness of the survey, the clarity of items and the comprehensiveness and relevance of the survey content. Furthermore, validity and reliability issues were addressed and ethical guidelines were followed throughout the process.



## Customer Satisfaction Survey

Please take a few minutes to answer the questions that apply and return this postage paid mailer to us.

What was the nature of your contact with us?	How did you contact us?	Which category best describes you?
? Enforcement   ? Compliance   ? Legal	? By phone   ? In person	? Licensee/Permittee
? Ports of Entry   ? Licensing   ? Other _____	? By Internet   ? By mail	? General Public

Which TABC office assisted you? \_\_\_\_\_

**HOW SATISFIED ARE YOU???**

	Rating Scale					
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Not Applicable
<b>STAFF</b>						
Our employees were knowledgeable.	1	2	3	4	5	N/A
Our employees were courteous and respectful.	1	2	3	4	5	N/A
Our employees were responsive to your needs and concerns.	1	2	3	4	5	N/A
<b>FACILITIES</b>						
Our office was convenient and easily accessible.	1	2	3	4	5	N/A
Our office was clean and orderly.	1	2	3	4	5	N/A
<b>PRINTED INFORMATION</b>						
I received printed materials (i.e., brochures, newsletters, instructions, forms, etc.) explaining the services available.	1	2	3	4	5	N/A
Our materials were clear and understandable.	1	2	3	4	5	N/A
<b>TIMELINESS</b>						
Our services were offered at convenient times.	1	2	3	4	5	N/A
Our services were delivered within a reasonable amount of time.	1	2	3	4	5	N/A
I received a response within a reasonable amount of time by:						
Telephone (including "on hold" time)	1	2	3	4	5	N/A
E-mail	1	2	3	4	5	N/A
Materials (regular U.S. mail)	1	2	3	4	5	N/A
<b>COMMUNICATION</b>						
I was given clear explanations about the services available.	1	2	3	4	5	N/A
I received answers to all of my questions.	1	2	3	4	5	N/A
<b>INTERNET SITE</b>						
I was able to find helpful information on the TABC web site.	1	2	3	4	5	N/A
I found the quality of the TABC web site to be satisfactory.	1	2	3	4	5	N/A
<b>COMPLAINT HANDLING PROCESS</b>						
I know how to make a complaint regarding services at the TABC.	1	2	3	4	5	N/A
I believe the TABC would handle my complaint in a fair manner.	1	2	3	4	5	N/A
Overall, I am satisfied with the services I received from the TABC.	1	2	3	4	5	N/A

If dissatisfied, what could we have done differently? \_\_\_\_\_

Comments & Suggestions

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Would you like a TABC employee to call and discuss your comments/suggestions?


Yes   No

Name \_\_\_\_\_

Phone Number (\_\_\_\_) \_\_\_\_\_

AC

Thank you for evaluating our customer service. If we can be of any future service, please contact your local TABC office or call toll-free 1-888-THE-TABC. You can also reach us at our web site at <http://www.tabc.state.tx.us> or by e-mail to [questions@tabc.state.tx.us](mailto:questions@tabc.state.tx.us) or [complaints@tabc.state.tx.us](mailto:complaints@tabc.state.tx.us).

 Printed on Recycled Paper

## Data Collection

The survey was administered to customers in two separate ways. First, it was included in the agency's *TABC Today* newsletter. The newsletter mailing list included licensees/permittees, various citizens and citizen groups interested in the TABC and local state agencies/officials. However, the agency's customer population was directed to the two primary customer groups with the most need for interaction on a daily basis, excluding state agencies and local officials.

Data for the survey was collected between April 2002 and May 2002. Each survey contained a pre-addressed, business response mailing label printed on the back used to facilitate and transfer the cost of return to the agency. The completed surveys were mailed to the agency's Austin headquarters.

Second, the survey was e-mailed to recipients currently listed on the agency's four E-Lists (*TABC Today* newsletter, *Seller/Server Training Together* newsletter, Consumption Statistics, and News Release) in April 2002. The agency currently utilizes an E-Mail list server to efficiently distribute information in a timely and cost effective manner. The lists are all currently DISTRIBUTION ONLY, meaning the authorized employees of the agency are the only individuals that can post messages to the various lists. However, the general public may subscribe to and receive messages from any of the lists.

Upon arrival, the surveys were first reviewed by the agency's administrator and then forwarded to the customer relations representative. The customer relations representative reviewed the surveys and entered the numerical responses into a statistical software program while recording all written comments and suggestions.

## Data Analysis

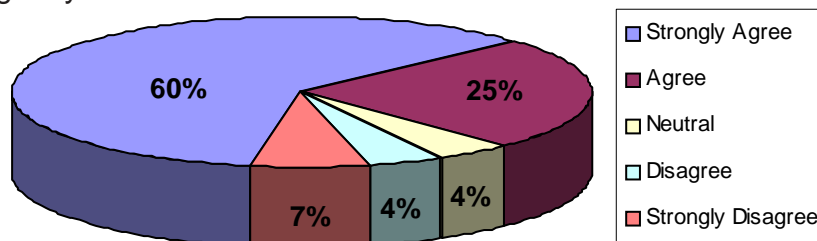
Quantitative analyses (statistical analyses) were conducted using a standard statistical analysis program. The quantitative data represented valid measurements of various elements of service and, as such, were more reliable than qualitative sources of information. However, qualitative analyses were conducted from the written suggestions and comments providing valuable feedback to the agency.

## Survey Results

### ***How satisfied were customers with the agency's services?***

The evaluation of each quality service dimension was a good indicator of how well the agency was serving its customers. A strong overall customer satisfaction rating of 85.1 percent was received by the agency.

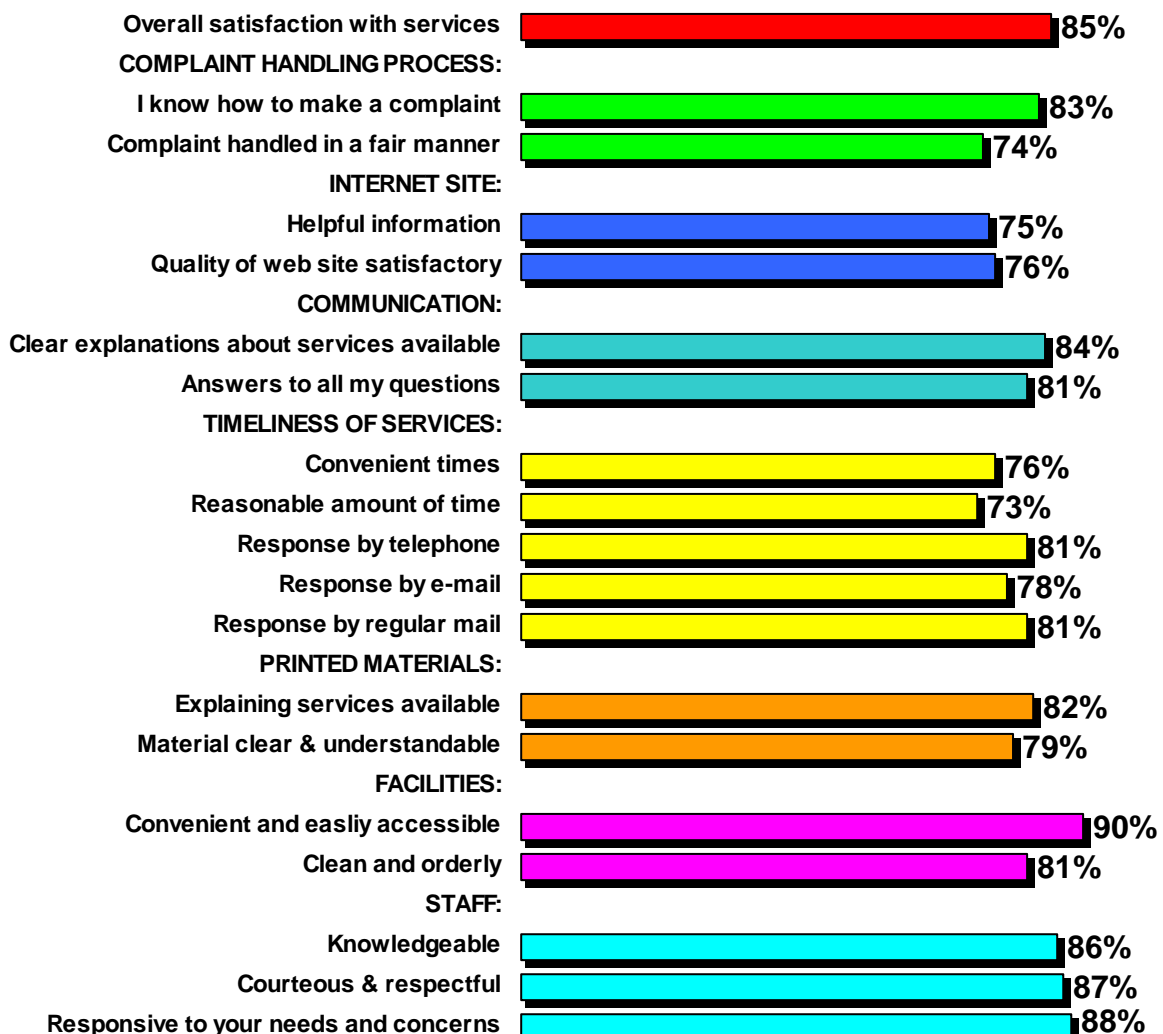
**Overall, I am satisfied  
with the services I  
received from the  
TABC ...**



A total of 33,641 customers (6.7 percent of total served) were asked their opinion of the agency services. Of the 33,641 surveys, 30,663 were mailed in the *TABC Today* newsletter, while 2,978 were e-mailed to recipients from the agency E-lists. The agency received 348 responses or 1.1 percent from the *TABC Today* newsletter. Furthermore, the agency received 69 responses or 2.3 percent from the agency E-lists.

Based on the evaluations by agency customers, there was both evidence of good customer service by the agency and clear opportunities for improvement. The highest level of satisfaction was with the agency's facilities being both clean and orderly. Furthermore, the agency's employees were considered to be courteous, knowledgeable and responsive to customer needs, in addition to providing clear explanations about the agency's services and answering all customer questions. The agency's service timeliness and fairness among complaint handling rated the lowest among satisfaction levels. However, the

### Customer Service Results



agency considered both scores to be satisfactory since both were above 70 percent.

The data obtained from the survey will be used to (1) monitor the agency's performance against customer service standards, (2) improve the agency's overall quality of service and delivery and (3) provide the customers' views of the agency's overall performance.

In the future, the customer satisfaction survey will be included in one issue of the *TABC Today* newsletter and administered bi-annually. Furthermore, the survey will continue to be posted on the agency web site for customers to complete during their most convenient times. In addition, the agency plans to survey individuals who contact the agency (via e-mail, telephone, mail or in person) with questions or want to file a complaint. The agency will continue to compare survey results every two years. This information will provide comparative data about the agency's customers and their opinions, in addition to monitoring customer trends over time. The agency believes this is the best approach to obtaining invaluable information for both the agency and its management.

### **Customer-Related Performance Measures**

The Legislative Budget Board created generic customer-related performance measures for all state agencies. The projected measures include:

<b>OUTCOME MEASURES</b>	<b>FY 2002</b>
Percentage of Surveyed Customer Respondents Expressing Overall Satisfaction with Services Received	80 %
Percentage of Surveyed Customer Respondents Identifying Ways to Improve Service Delivery	5 %
<b>OUTPUT MEASURES</b>	
Number of Customers Surveyed	30,000
Number of Customers Served	500,000
<b>EFFICIENCY MEASURE</b>	
Cost per Customer Surveyed	\$0.33
<b>EXPLANATORY MEASURES</b>	
Number of Customers Identified	20,000,000
Number of Customer Groups Inventoried	3

### **Agency Program Customer Service Surveys**

In keeping with past efforts in this area, we continue to use three survey instruments to gauge customer satisfaction among the industry we license and regulate. Specifically, the agency has continued to use written survey tools in our licensing, compliance and enforcement areas.

## **Methodology**

A licensing practices survey instrument is mailed, along with the license itself, to each entity that receives an original license. Those surveyed with this instrument are representatives of all business entities who apply for and receive an original license, and the distribution of the instruments occurs throughout the course of the year as original licenses are issued.

Compliance officers, on the other hand, leave a compliance practices survey with the licensee or the licensee's representative at the conclusion of each financial and/or records audit. The population segment surveyed consists of all licensees audited or reviewed by compliance, and the distribution of the survey instruments is accomplished by hand at the conclusion of each audit/review.

Other methods are employed for the enforcement practices survey. The instruments used in this survey are distributed by mail each month to a randomly selected sample of 10 percent of the licensees whose premises were inspected by agency enforcement agents during the preceding month.

Upon arrival at the agency's Austin headquarters, all returned survey instruments are reviewed first by the agency's administrator and then by the appropriate division and department heads. After these reviews, the responses contained in the returned survey instruments are entered into one of three PC databases, with the exact database dependent upon the survey instrument type.

## **Data Analysis**

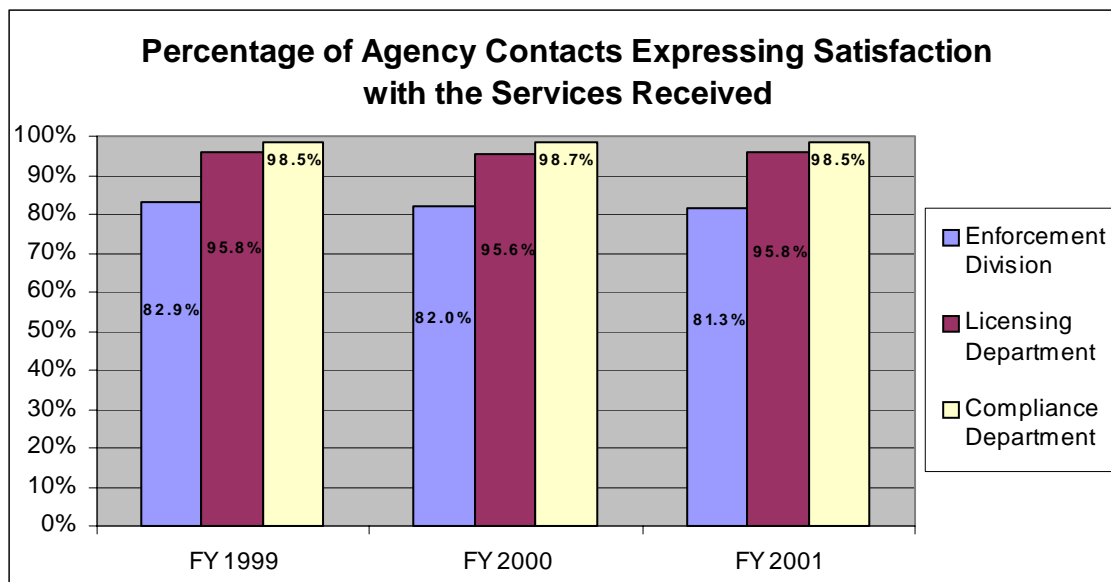
Agency management continues to study survey responses and identify any general trends and identify areas of strong customer service, as well as isolating areas needing the immediate attention of upper management. The data is examined on a quarterly basis and year-to-date comparisons are made with results from previous years.

## **Survey Results**

During fiscal year 2001, the Licensing Department mailed 6,043 surveys to applicants for an original retail and/or wholesale license or permit. The surveys were mailed to the applicants with the original license and/or permit. Of the 6,043 surveys mailed, the agency received 736 responses, approximately 12 percent of the total surveys mailed. From the 736 responses received, 95.8 percent responded favorably.

In addition, the Compliance Department conducted 1,091 audits, private club analyses, and food and beverage analyses during fiscal year 2001. A survey containing a total of 5 questions was left with all licensees/permittees during the exit conference. The agency received a total of 166 completed surveys; thus receiving a response rate of 15.2 percent. The survey contained a total of 5 questions. Of the total 780 responses, 768 indicated satisfaction, for an overall satisfaction rate of 98.5 percent.

The Enforcement Division conducted 72,287 inspections of licensed premises during fiscal year 2001. Of the establishments inspected, 5,160 (approximately 7.1 percent) were selected at random and surveyed by mail to determine their global satisfaction with enforcement contacts during the past two years. Managers or owners of 757 establishments responded to the survey, for a response rate of 14.7 percent.



The surveys contained five questions. Each question attempted to gauge licensee satisfaction from slightly different perspectives. Of the 3,785 responses to each individual question, 3,078 indicated some level of satisfaction, for an overall satisfaction rate of 81.3 percent.

### Use of Survey Results

Over the years, the agency has found the use of written surveys or questionnaires to be a viable and useful means of keeping in touch with the individuals it serves. Based on input provided on these instruments, the agency is able to continuously assess its wide array of programs, services and activities. Furthermore, the results from these surveys help the agency determine where growth, enhancement and/or modification is necessary in these programmatic areas.

Another very important by-product of the customer survey responses is that they serve as the basis for immediate recognition and praise of individual employees and work groups. When customer comments concerning positive behaviors or outstanding service routinely are received, the agency's administrator acknowledges such recognition personally. The feedback received from employees indicates that this use of survey responses has done much to boost employee morale, as well as increase commitment to the concept of customer service. In doing so, the agency is able to maintain a high priority on its commitment to the highest levels of services to the citizens it serves.

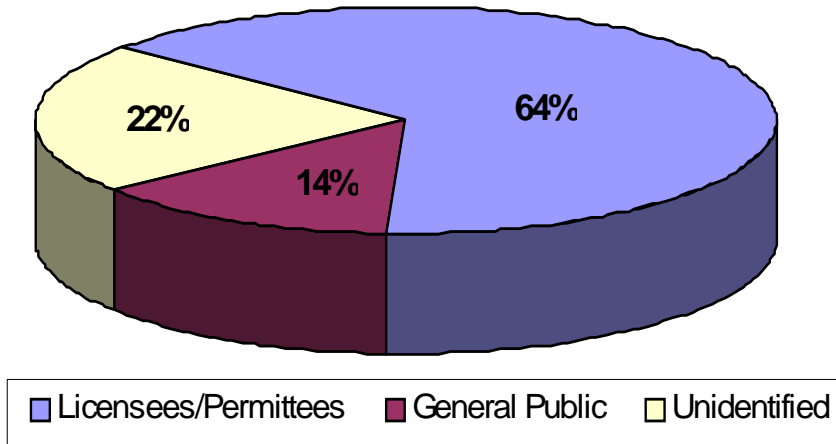
Negative customer comments are used by the agency as a tool to improve customer service. Comments concerning poor, inadequate service or wasteful, ineffective

processes, on the other hand, are compiled and studied by division and department level personnel. In such cases, the complaints are assessed and any "fixes" needed are then identified, tested and implemented (often with input from industry representatives and the survey respondent who originally raised the issue). Both processes use customer survey responses to identify existing problems in service delivery. As steps are taken to correct the problems, the agency's operations are continuously evaluated and enhanced wherever improvements are necessary.

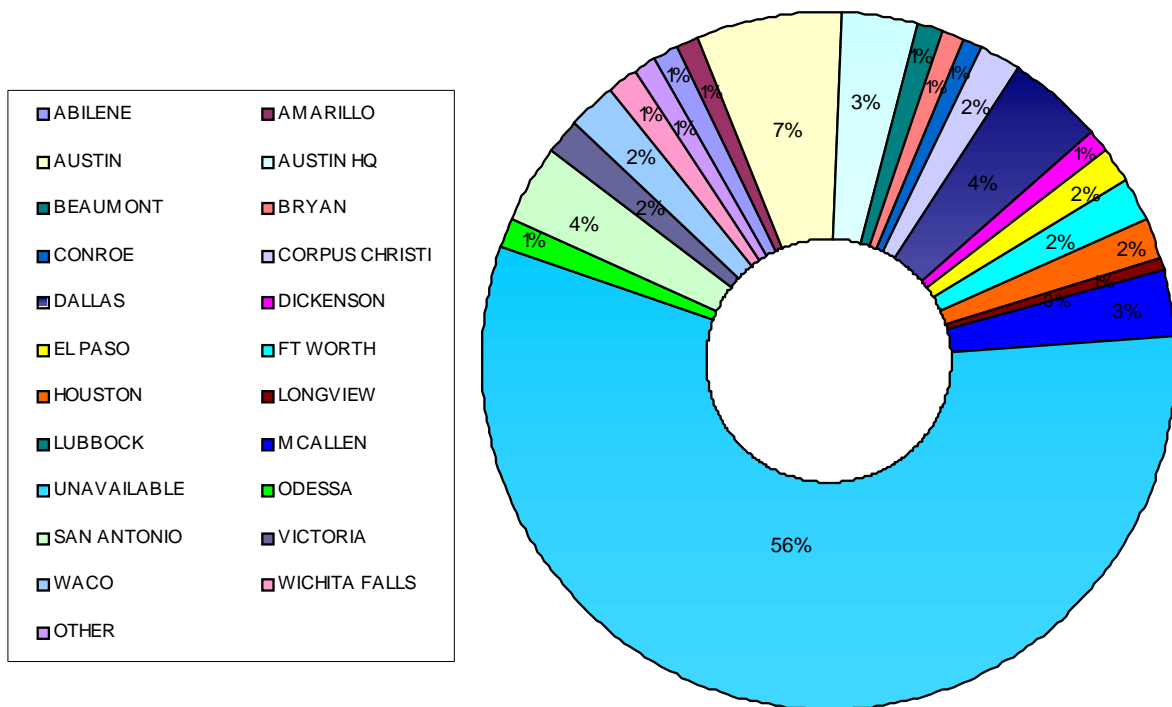
## **Conclusion**

The agency continues to emphasize a customer service mentality throughout the state. The advent of the *Compact With Texans* has enhanced customer service orientation and expanded the agency's customer contacts by reaching out to a wide array of individuals and groups interested in the programs, services, and activities of the agency.

## Percentage of Survey Respondents by Customer Category



## Percentage of Survey Respondents by Identified Location



Addendum A: